

AMENDED IN ASSEMBLY MAY 9, 2000

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1937

Introduced by Assembly Member Correa
(Principal coauthor: Senator Ortiz)
(*Coauthors: Assembly Members Briggs, Firebaugh, Honda,*
Knox, and Pescetti)

February 15, 2000

An act to amend Section 21328 of, and to add Sections 31664.1, 31664.2, and 31681.55 to, the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1937, as amended, Correa. Retirement: benefits.

Under the Public Employees' Retirement Law, retirement allowances being paid on account of retired or deceased state and school members were increased, effective January 1, 2000, by up to 6%, as specified.

This bill would authorize contracting agencies of the Public Employees' Retirement System to likewise increase retirement allowances being paid on account of their retired or deceased members.

Under the County Employees Retirement Law of 1937, service retirement allowances for safety members are based on a 2% at age 50 formula and allowances for other members are based on other specified formulae.

This bill would authorize counties or districts, subject to approval by the county board of supervisors, to (1) provide

service retirement allowances for safety members based on a 3% at age 50 formula or 3% at age 55 formula, and (2) increase allowances being paid on account of retired or deceased members by up to 6%, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21328 of the Government Code
2 is amended to read:

3 21328. (a) In addition to the increase in allowance
4 authorized and granted pursuant to Section 21313, and
5 notwithstanding the limitation on that increase imposed
6 by this article and subdivision (b) of Section 21337,
7 effective January 1, 2000, or the date this section becomes
8 applicable to the contracting agency, the monthly
9 allowance paid with respect to a state, local, or school
10 member who retired or died prior to January 1, 2000, or
11 the date this section becomes applicable to the
12 contracting agency, other than an allowance provided by
13 Article 3 (commencing with Section 21570) of Chapter
14 14, shall be increased by the percentage set forth opposite
15 the year of retirement or death in the following schedule:

16		
17	Period during which retirement	
18	or death occurred:	Percentage:
19	24 months ending Dec. 31, 1999	0.0%
20	12 months ending Dec. 31, 1997	1.0%
21	24 months ending Dec. 31, 1996	2.0%
22	60 months ending Dec. 31, 1994	3.0%
23	60 months ending Dec. 31, 1989	4.0%
24	120 months ending Dec. 31, 1984	5.0%
25	12 months ending Dec. 31, 1974	
26	or earlier	6.0%
27		

28 The percentage shall be applied to the allowance
29 payable on January 1, 2000, or the date this section
30 becomes applicable to the contracting agency, and the
31 allowance as so increased shall be paid for time on and

1 after that date and until the first day of April immediately
2 following the date of application. The base allowance shall
3 be the allowance as increased under this section.
4 Notwithstanding Section 21337 to the contrary, this
5 increase shall not be included in determining the initial
6 monthly allowance upon which a supplemental benefit is
7 payable pursuant to Section 21337.

8 (b) This section shall not apply to any contracting
9 agency unless and until the agency elects to be subject to
10 its provisions by amendment to its contract, made in the
11 manner prescribed for approval of contracts, or, in the
12 case of contracts made after the effective date of this
13 section, by an express provision in the contract making
14 the contracting agency subject to the provisions of this
15 section.

16 SEC. 2. Section 31664.1 is added to the Government
17 Code, to read:

18 31664.1. (a) This section may be made applicable in
19 any county subject to the provisions of Section 31676.1 or
20 31695.1 on the first day of the month after the board of
21 supervisors of the county adopts, by majority vote, a
22 resolution providing that this section shall become
23 applicable in the county.

24 (b) Notwithstanding any other provisions of this
25 chapter, the current service pension or the current
26 service pension combined with the prior service pension
27 is an additional pension for safety members purchased by
28 the contributions of the county or district sufficient when
29 added to the service retirement annuity to equal 3
30 percent of the member's final compensation at the age of
31 50 years, multiplied by the number of years of current
32 service or years of current and prior service with which
33 the member is entitled to be credited at retirement, but
34 in no event shall the total retirement allowance exceed
35 the limitation of the safety member's final compensation
36 as set forth in Section 31676.1, as it now reads or may
37 hereafter be amended to read.

38 (c) The fraction herein set forth shall be used until
39 adjusted by each board for its retirement system in

(d) Contributions shall not be made by safety members having credit for 30 years of continuous service.

7 31664.2. (a) This section may be made applicable in
8 any county subject to the provisions of Section 31676.1 or
9 31695.1 on the first day of the month after the board of
10 supervisors of the county adopts, by majority vote, a
11 resolution providing that this section shall become
12 applicable in the county.

29

1	52 ¹ / ₄ .....	.890
2	52 ¹ / ₂ .....	.900
3	52 ³ / ₄ .....	.910
4	53 .....	.920
5	53 ¹ / ₄ .....	.930
6	53 ¹ / ₂ .....	.940
7	53 ³ / ₄ .....	.950
8	54 .....	.960
9	54 ¹ / ₄ .....	.970
10	54 ¹ / ₂ .....	.980
11	54 ³ / ₄ .....	.990
12	55 and over	1.000

13

14 (c) The fractions herein set forth shall be used until
 15 adjusted by each board for its retirement system in
 16 accordance with the interest and mortality tables
 17 adopted by each board.

18 (d) Contributions shall not be made by safety
 19 members having credit for 30 years of continuous service.

20 SEC. 4. Section 31681.55 is added to the Government
 21 Code, to read:

22 31681.55. (a) Effective January 1, 2001, the monthly
 23 allowance paid with respect to any member of this system
 24 who retired or died prior to January 1, 2001, shall be
 25 increased by the percentage set forth opposite the year
 26 of retirement or death in the following schedule:

27

28	Period during which retirement	
29	or death occurred:	Percentage:
30		
31	24 months ending Dec. 31, 2000	0.0%
32	12 months ending Dec. 31, 1998	1.0%
33	24 months ending Dec. 31, 1997	2.0%
34	60 months ending Dec. 31, 1995	3.0%
35	60 months ending Dec. 31, 1990	4.0%
36	120 months ending Dec. 31, 1985	5.0%
37	12 months ending Dec. 31, 1975	
38	or earlier	6.0%



1 The percentage shall be applied to the allowance
2 payable on January 1, 2001, and the allowance as so
3 increased shall be paid for time on and after that date and
4 until the first day of April immediately following the date
5 of application. The base allowance shall be the allowance
6 as increased under this section.

7 (b) This section shall not be operative in any county
8 until such time as the board of supervisors shall, by
9 resolution adopted by majority vote, make the provisions
10 of this section applicable in that county.

